
BC's International Education Strategy: Implications for Public Post-Secondary Education

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- 2012: “Not a single BC student is displaced by international students at UBC. The premise that UBC’s recruitment of international students is at the expense of our mandate to serve BC is false.” Stephen Toope, former UBC President
 - 2012: “International tuition fees are set at a cost-recovery level – no more, no less.” Wesley Pue, former Provost and Vice-Principal, UBC Okanagan
 - 2014: On raising international student fees at UBC by almost 50%: “If the market is willing to pay that much, why wouldn’t we charge it?” Ian Cull, Vice-Principal Students, UBC Okanagan
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Outline of talk

- Introduction
 - Global Market for International Students
 - Canada's International Education Strategy
 - BC's International Education Strategy
 - Paul Collier's *Exodus* Model
 - UBC's International Student Initiative
 - UBC's Vantage College
 - UBC's Okanagan Campus
 - Conclusions
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Introduction

- How many international students in our public universities and colleges in BC are optimal? It is obviously more than 0%, but less than 100%.
 - Is 25% an appropriate target for BC, meaning 50% in some programs (e.g. economics) and 0% in others (e.g. education, nursing, medicine), maybe 35% in some institutions (e.g. UBC) and 1% in others (e.g. Northern Colleges) and larger concentrations in some regions (e.g. 80% in the Lower Mainland) than others (e.g. 2% in the North)?
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- In Australia, international students make up about 25% of total enrolment, and in some subjects, such as commerce, about 50%; post-secondary education is a major national export.
 - Post-secondary institutions in Canada and BC are becoming critical components of immigration policy, due to Canada/BC's "integrated offer" – inviting international students to study, to work while studying and after graduation, and to potentially immigrate to Canada/BC as Permanent Residents and Canadian Citizens
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Global Market for International Students

- OECD estimates the flow of international students has approximately doubled from 1.8m in 2000 to 3.5m in 2012, and this total is expected to double again to around 6, 7 or 8m by 2025. China has been the number one source of these students in recent years and is expected to continue to be so.
 - Market share: Canada 5%, Australia 10%, UK 10%, US 20%. To maintain market share Canada needs to double its number of international students to 2025
 - Share of international students in total post-secondary enrolment: Canada 10%, Australia 25% UK 20%, US 5%
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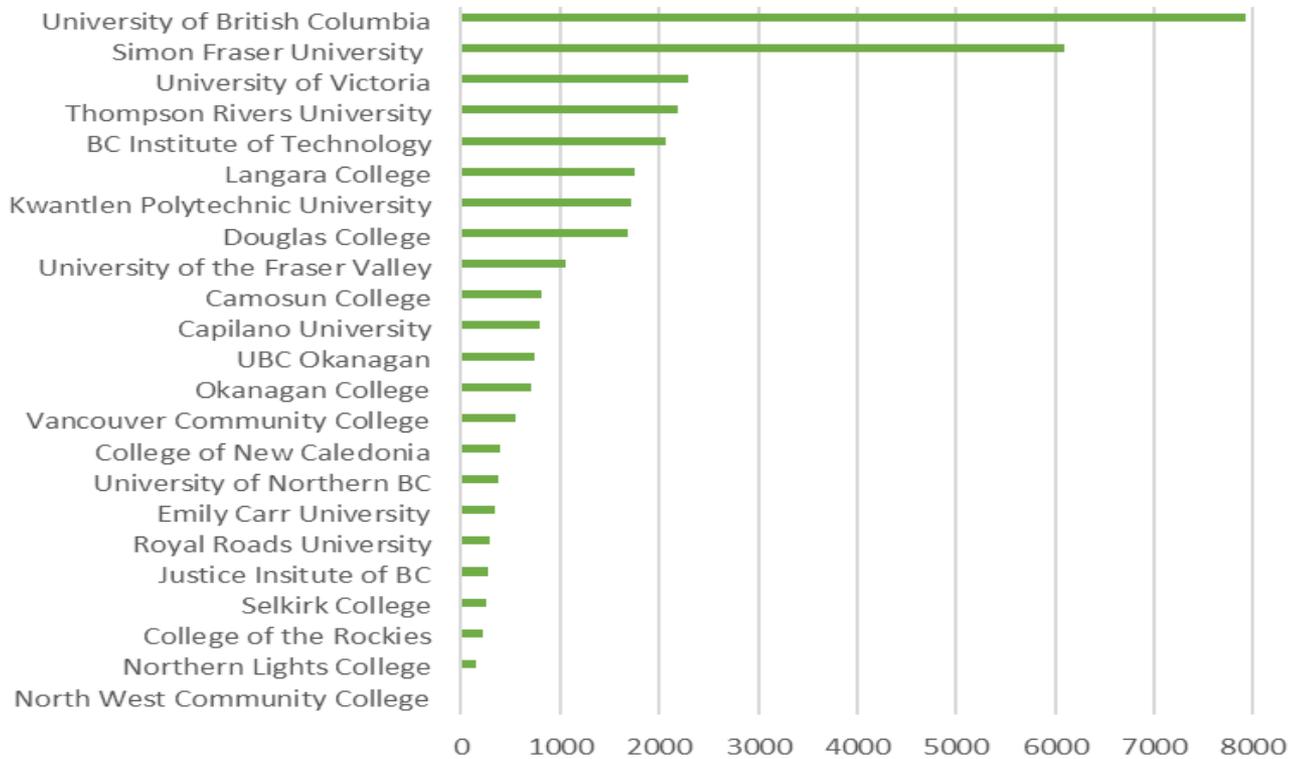
Canada's International Education Strategy

- Despite the Provincial jurisdiction of education, Canada announced its first ever national strategy for international education in January 2014
 - Plan to double international students studying in Canada from 239,000 in 2011 to reach 450,000 by 2022, to increase international students as a proportion of all students to 17% by 2020, 23% in BC.
 - Canada's "value proposition" is not lower fees but offering student options to work while and after studying, with eventually the chance to become Canadian citizens (Canada's so-called "integrated offer").
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- International students can take employment on-campus while studying, and also work part-time off-campus without having to apply for a separate work permit.
 - Post-Graduate Work Permit Program: on completion of a post-secondary credential of at least 8 months in Canada, international students may accept employment in Canada for up to 3 years
 - This then opens up the Canadian Experience Class (CEC) path to Permanent Residency and Canadian citizenship, as with one year of work experience in Canada, one can apply for PR status, with the possibility of applying for Canadian citizenship three years later
 - The purpose of the “integrated offer” is to meet Canada’s forecast shortage of skilled knowledge workers over the next decades
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BC's International Education Strategy

- With around 13% of the Canadian population, BC has around 31% of international students in Canada
 - BCCAT study of 2014: 34,000 undergraduate international students in BC public universities and colleges, 8,000 at UBC, 6,000 at SFU, and 17,000 overall in the research-intensive universities.
 - Represented 15% of enrolment at UBC, 18% at SFU, 14% at the research-intensive universities, 8% at the teaching-intensive universities, 4% at the public colleges, and 3% at the public institutes (e.g. BCIT).
 - 34,000 represents a doubling since 2002-03 of 16,700. Increase from 5,885 to 17,393 in the research-intensive universities.
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- BC International Education Strategy targets a 50% increase in international students from 94,000 in 2012-13 (12,000 K-12, 28,000 public PSE, 11,000 private PSE, 43,000 private language schools) to 140,000 in 2016-17.
 - The strategy is synergistic with *Canada Starts Here: The BC Jobs Plan* in that BC is increasing the opportunities for international students at qualified institutions to work during and after studies in BC and move to PR and Citizenship status
 - A recent report presented to the BC Council for International Education (BCCIE) based on study permit data shows an increase in international students in BC from 90,000 in 2010 to 130,000 in 2015, with much of the increase occurring in public post-secondary institutions.
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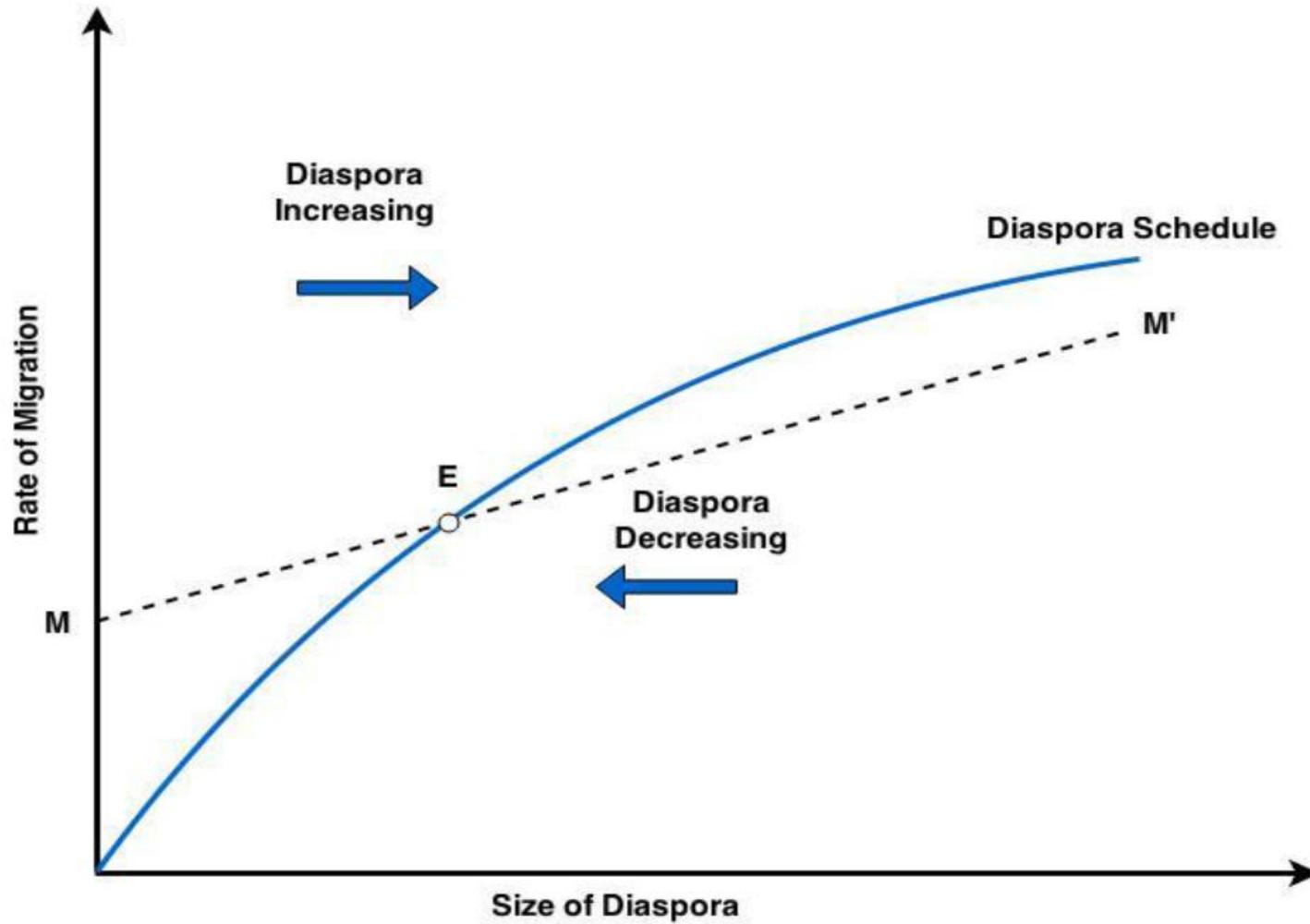
	2010	2015
Total	90,037	130,053
Public Post-Secondary	28,490	45,130
Private Post-Secondary	49,834	67,955
K-12	11,713	16,958
Lower Mainland/Southwest	73,466	100,093
Vancouver Island/Coast	8,525	16,228
Southern Interior	5,364	8,398
Northern BC	958	1,589
China	23,660	51,130
South Korea	20,160	12,695
India	3,210	12,105
Japan	5,670	6,555
United States	4,595	4,780
Brazil	1,930	4,530
Saudi Arabia	5,375	4,305
Mexico	2,525	3,340
Taiwan	3,340	2,445
Hong Kong	1,580	1,960
Top 10 sources	72,045	103,053

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- BCCAT surveyed 37,000 international students in public universities and colleges in BC (including one private college, Columbia College) in 2014, received 9,200 responses.
 - 80% of these students were at institutions in the lower mainland/southwest, 75% in arts, sciences or business/management programs, and 39% from China.
 - Two-thirds of students responded that they intended to stay in Canada post-graduation, 60% of these in BC.
 - However, students also responded that they find it difficult to integrate with Canadian students, and although most wanted an ability to work for pay while studying, more than 75% found it difficult to secure such paid work.
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Paul Collier's Exodus Model

- We analyze the issue of international students in BC's public post-secondary institutions using a model of migration proposed by Oxford economist Paul Collier in his 2014 book on international migration, *Exodus*.
 - In applying Collier's model to our context, we consider the welfare of the international students themselves, the welfare of the societies they came from and might return to, the social and cultural interactions between international students, domestic students and the domestic population, and the social, economic and cultural effects both within domestic students and domestic populations, and within the various groups of international students.
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Figure 1



Source: Collier (2014) *Exodus*, 44

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- The trick for BC is to find an equilibrium.
 - It may increase the rate of migration to move from one equilibrium say at E (say international students at 10% of total students) to a new higher equilibrium (intersection of a higher migration schedule with the diaspora schedule above E, say international students at a new steady state of 25% of total students).
 - But not raise it so much that there is no new equilibrium - any migration rate so high that it fails to intersect with the diaspora schedule at any new equilibrium and the diaspora keeps growing without limit.
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- Some questions suggested: it is true that cultural diversity is good on campus and off, but there are diminishing returns to this, so how much is ideal?
 - There are costs to increasing diversity, such as the erosion of mutual regard and social capital amongst the population.
 - Does institutions' attention to attracting more international students reduce their attention to the skills and training of BC students, and encourage emigration of these BC students to other jurisdictions outside of BC?
 - International students are also clustered both spatially in BC and by subject (e.g. economics and business) which leads to differential effects across cities, regions and subjects of study.
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- Moderate numbers of international students in BC's public post-secondary institutions is obviously a good thing, but what percentage is optimal?
 - Might a big increase in the number of international students in BC's public institutions, from say 10% on average to 25% on average (remembering that an average might mask large variations e.g. 35% at UBC and 5% at UNBC, 50% in UBC economics and 0% in UBC anthropology) be detrimental at the margin?
 - International students have doubled in the last 10 years, how will a further doubling affect the relevant parties in BC?
 - Do we need more geographical dispersion of these students, and more dispersion across subject areas?
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- As Collier states, fraternity is at least equally as important as liberty and equality, both amongst students and the general population.
 - Multiculturalism at universities has benefits but also clear costs. Universities and colleges need to do more than just regard international students as a revenue stream, and be negligent of important political, social and cultural, and psychological considerations, both on campus and off.
 - Also, how temporary a phenomenon is the vast increase in the demand for international education over the last 20 and upcoming 10 years? Will we be expanding our institutions to take in more and more international students only to have to contract them later on?
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UBC's International Student Initiative

- August 2013: “International students do not displace Canadian students at UBC. To the contrary, more students on campus means UBC can hire additional faculty and offer broader choices of courses and research for all of our students.”
 - February 2013: “UBC leaders are clear on this point: international students do not displace domestic students... international students pay the full cost of their education to add more spaces...”
 - Obviously this cannot be true that international students add more spaces for domestic students; domestic student spaces are set by the Government.
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UBC's International Student Initiative

- It is obviously true that no matter how many international students UBC takes in, its domestic student targets and domestic student enrolment in the aggregate are entirely unaffected, neither reduced or increased
 - If one claims that international student seats do not take away domestic student seats in the aggregate, it is entirely inconsistent to claim that it adds them in the aggregate
 - However there is displacement of domestic students from courses/programs that are popular with international students (e.g. economics?) into other courses/programs not as popular with international students, within the aggregates.
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UBC's International Student Initiative

- UBC was initially concerned about the impact of first introducing differential fees for international students in the mid-1990s. A Senate policy in 1996 stated:
 - 1. The number of international students in an undergraduate program can be no more than 15% of the number of domestic students in the program in the previous year;
 - 2. International student admission Grade Point Averages (GPAs) for admission must *meet or exceed* those of domestic students.
 - 3. Programs must annually report the number of international students they have admitted
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UBC's International Student Initiative

- International students as a percent of total enrolment first exceeded 15% overall at UBC in 2012-13 and has since grown to 24% overall in 2016-17, with almost 40% in some programs e.g. BCom in Sauder School of Business.
 - Latest projections are for 29% overall by 2022, 38% in BCom and 35% in BAsSc (Engineering)
 - Hence April 2014 the University administration decided that the 1996 Senate policy was “out-of-step with the University’s internationalization and diversity goals” and Senate replaced the 1996 policy with the following:
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UBC's International Student Initiative

- 1. UBC will set enrolment targets separately for domestic and international students in each program by taking into consideration capacity and resources;
 - 2. Student demand for admission relative to these targets shall determine competitive admissions standards separately for domestic and international students, and UBC will adjust admissions averages for domestic and international students to meet its targets;
 - 3. By corollary, UBC will meet its Provincial enrolment mandate for domestic students.
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UBC's International Student Initiative

- UBC claims “non-displacement of domestic students” as the key principle of the new policy
 - However what is more key is that the new policy allows different admissions standards for domestic and international students.
 - In this way UBC is able to maximize revenue and not turn away international students just because they don't meet the very high GPAs needed of domestic students
 - So international students are able to get into UBC with lower grades than those needed of domestic students in many (perhaps all) programs
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UBC's International Student Initiative

- The “*meet or exceed the GPAs of domestic students*” wording is replaced by “international students should be admitted to undergraduate programs *using criteria and procedures which ensure, at a minimum, international student quality comparable to that of domestic students*”
 - International students are deemed at a minimum comparable if they are as “successful” at UBC as domestic students i.e. they are able to pass and graduate.
 - So as long as UBC thinks an international student will be “successful” in a program then they can be admitted, regardless of what the competitive GPA average required of domestic students in that program is.
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UBC's International Student Initiative

- International students as of 2017-18 pay seven times the domestic rate for tuition, \$34,913 for one year (30-credits), by far the highest tuition rates for international students in the province, another 7% increase coming in 2018-19
 - UBC as a profit-seeking price-discriminating monopolist/oligopolist can hence maximize its profit by admitting more international students who are worth 7 times the level of a domestic student to UBC once the domestic student mandate is met.
 - UBC's tuition fee revenue from international students for 2017-18 is forecast to be \$277m overall, much higher than the \$227m it forecasts it will receive in domestic student tuition fees.
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UBC's International Student Initiative

- With UBC selling access to the highest bidder, some questions we might ask, suggested by analysis based on Paul Collier's above, are;
 - Is it fair that a BC student with an 85%% average might be denied admission into the Province's flagship university, but if they were international student with the same 85% average, but paying the seven times the domestic tuition rate, they might get in?
 - do BC students and citizens have some rights over and above international students to their society's social and public goods, the fruits of successful nationhood and province hood such as UBC, and should we do more to protect these interests of BC students and citizens?
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UBC's International Student Initiative

- UBC claims that the high fees that international students pay allow them to hire more faculty and put on a greater selection and number of courses for all students, including domestic students, so that presumably class sizes go down and class diversity goes up, to the benefit of domestic students.
 - So have average undergraduate class sizes at UBC gone down, and have there been more faculty hired as international students as a percent to total enrolment in direct entry undergraduate programs has gone from an average of 13% in 2010-11 to an forecast average of 26% in 2017-18? According to data released by the Research Universities' Council of BC the answer is no.
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- Source BCHeadset.ca

		2010	2013	2016
UBC Vancouver				
International undergraduates		4,477	6,324	10,074
Number of faculty		2,326	2,417	2,424
Average class size lower-level		73	77	77
Average class size upper-level		45	47	48
		2010	2013	2016

UBC's Vantage College

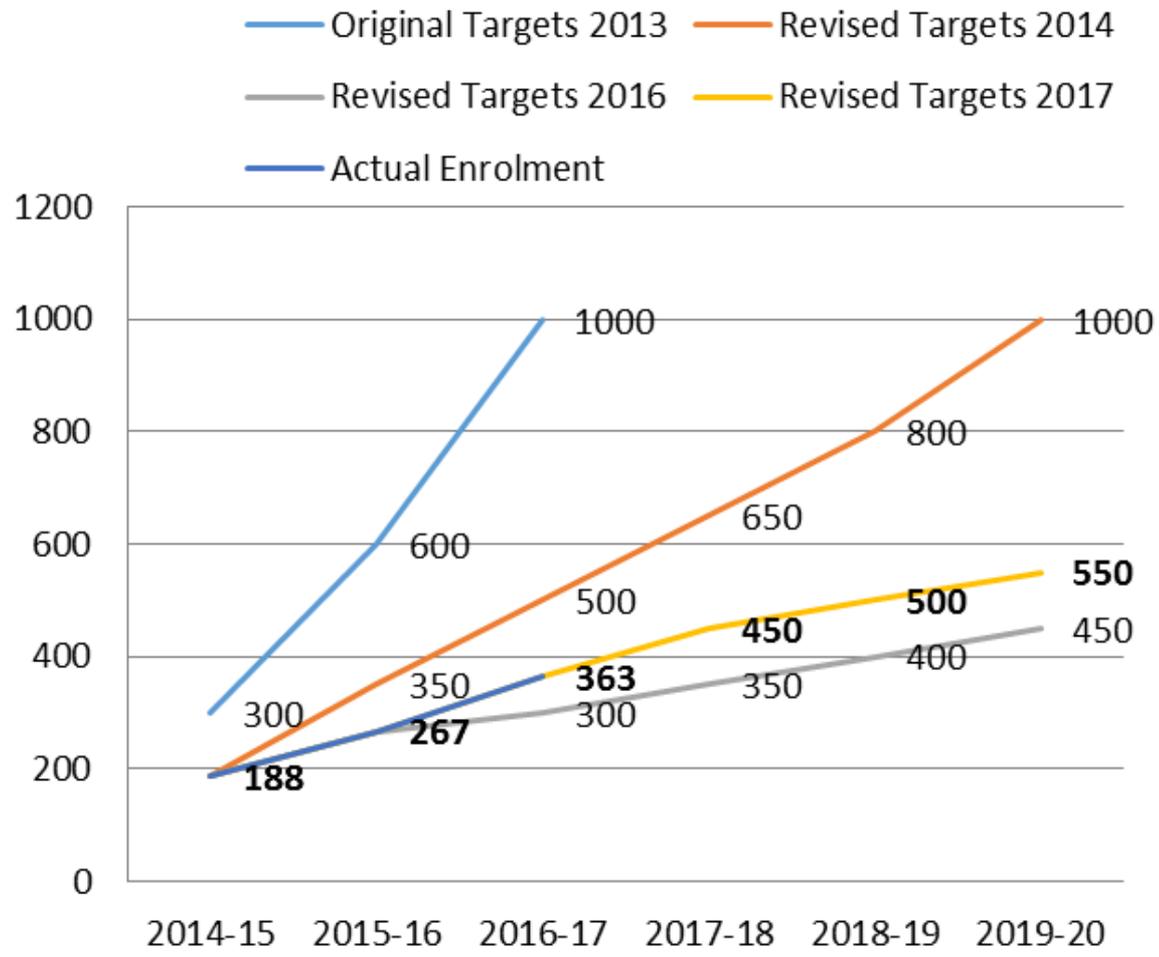
- UBC's answer to SFU's Fraser International College (FIC) offering international students smaller classes for a premium fee in their first-year, to help them in their transition to full university life.
 - Vantage College has this focus but also in taking in international students with English skills that are not high enough to meet UBC minimum standards and giving them a combined first-year program with smaller classes but also English language training to come up to the standard.
 - UBC states: "Vantage College is the only international college of its kind at a top-tier university in Canada."
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UBC's Vantage College

- VC and FIC directly take on the private BC colleges such as Columbia, Alexander and Coquitlam in the market for international students.
 - SFU first and then UBC copying asked: Why are we allowing these private colleges to get all of this tuition revenue and profit for these students' first one or two years when we could set up replicas on our own campuses and get this revenue and profit?
 - And then UBC or SFU will have also captured these students for their next two-to-three years, rather than have they attend say Columbia College for two years and then transfer to UBC or SFU for their final two years.
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UBC's Vantage College

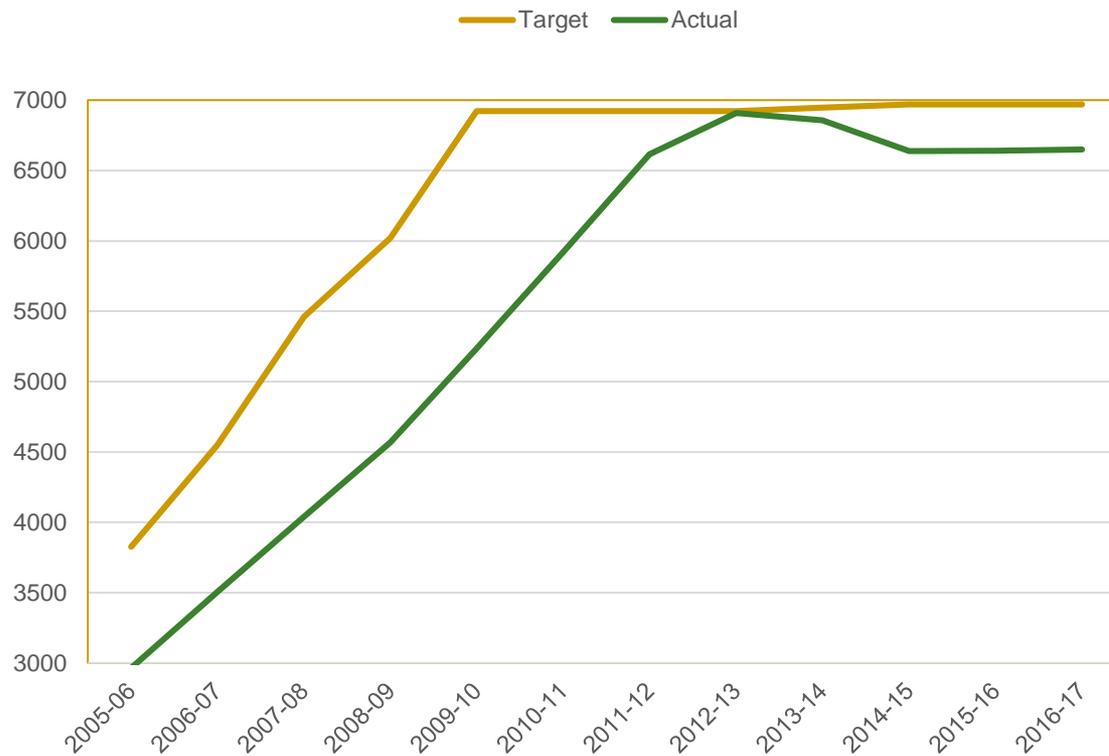
- The private colleges offer the same product as VC (e.g. smaller classes, more attention) at a much lower price, around \$15,000 versus \$44,000. Although some students (i.e. their parents) are of course willing to pay the much higher price to get the UBC logo.
 - Vantage students must meet the UBC admissions average minimum of 67%. According to UBC, VC students must be of “*comparable quality*” to international students generally
 - As long VC students “succeed” at UBC i.e. pass their courses and eventually graduate seems to be the “comparable quality” criteria
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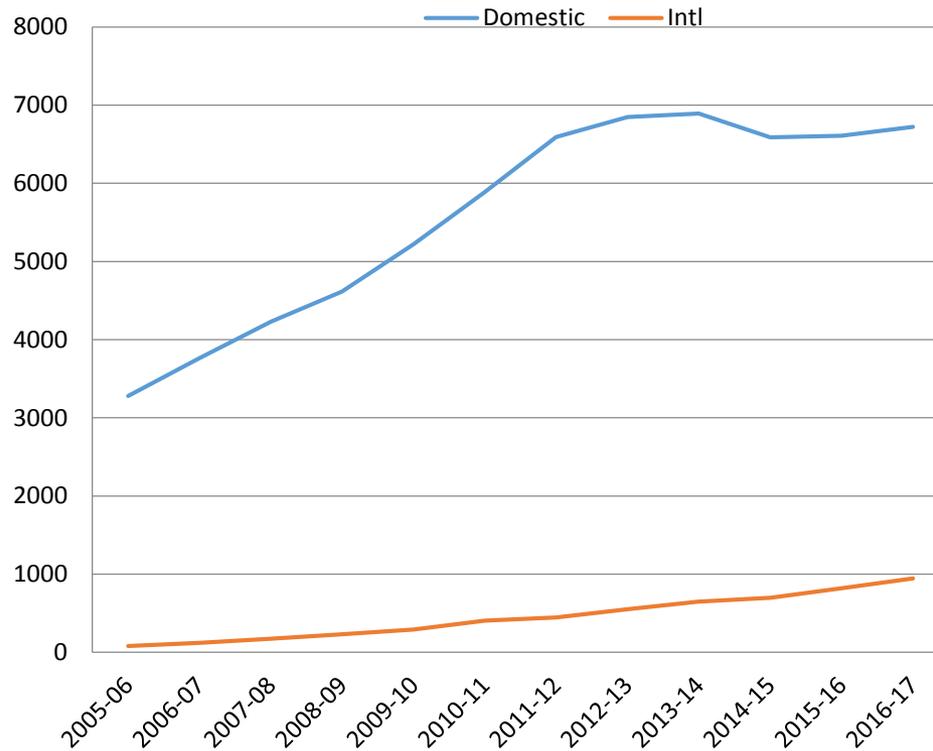
UBC's Okanagan Campus

- UBC opened its second campus in Kelowna in 2005 by taking over the university campus and functions of the existing Okanagan University College.
 - The issue of international students was not mentioned at all in any of the agreements at the time such as the Memorandum of Understanding (MoU) between UBC and the Government regarding the functions and projected growth of the new UBC Okanagan (UBCO).
 - The campus has failed to meet its provincially mandated domestic enrolment targets in all but one of the last 12 years, but the number of international students has expanded at a fairly constant rate.
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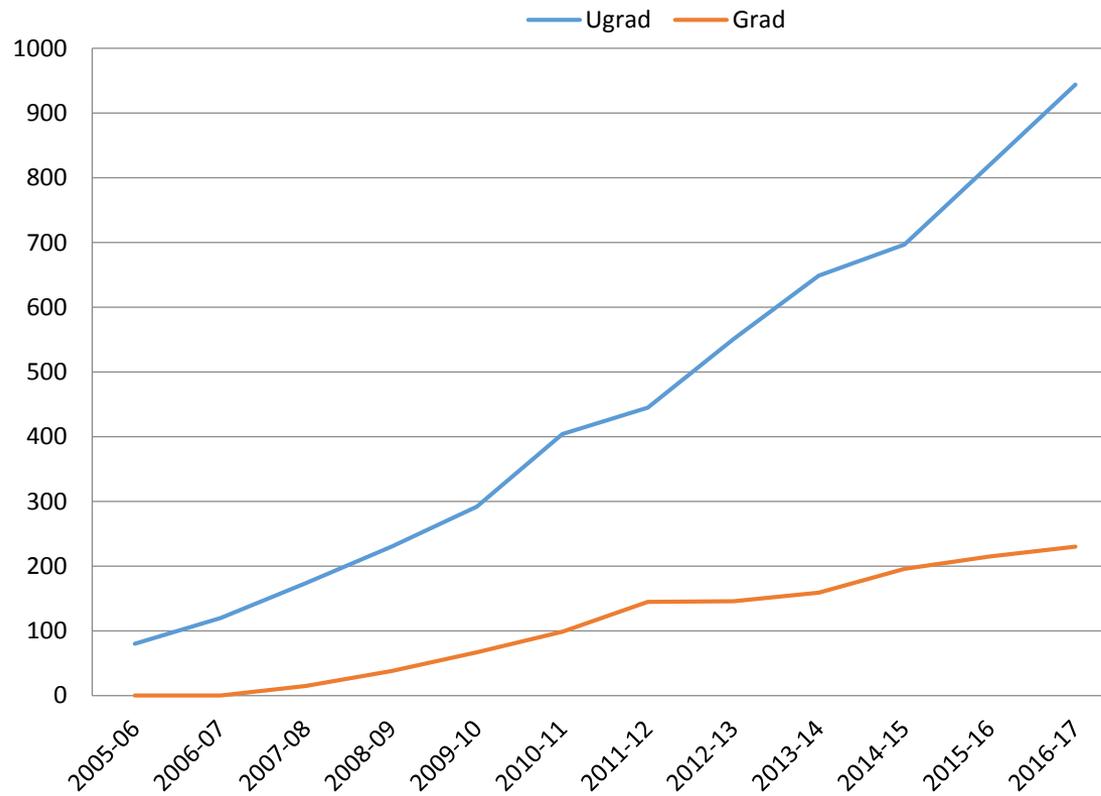
Target and Actual FTE Domestic Student Enrolment at UBC Okanagan, 2005-06 to 2016-17



Total Undergraduate Domestic and International Students UBCO 2005-06 to 2016-17



International Students, Undergraduate and Graduate, UBC Okanagan, 2005-06 to 2016-17



UBC's Okanagan Campus

- The Principal in 2012 stated: “International students make up about 8% of our total student enrolment, and our goal is to increase that to 20% by 2017.”
 - The Provost in 2013 stated: “In Kelowna and the Okanagan Valley, it is widely acknowledged that the presence of people from around the world is a good thing for the culture and economy of the region.”
 - This target for international students has not been met; international students were about 14% of total enrolment in 2016-17. So targets for neither domestic students nor international students have been met.
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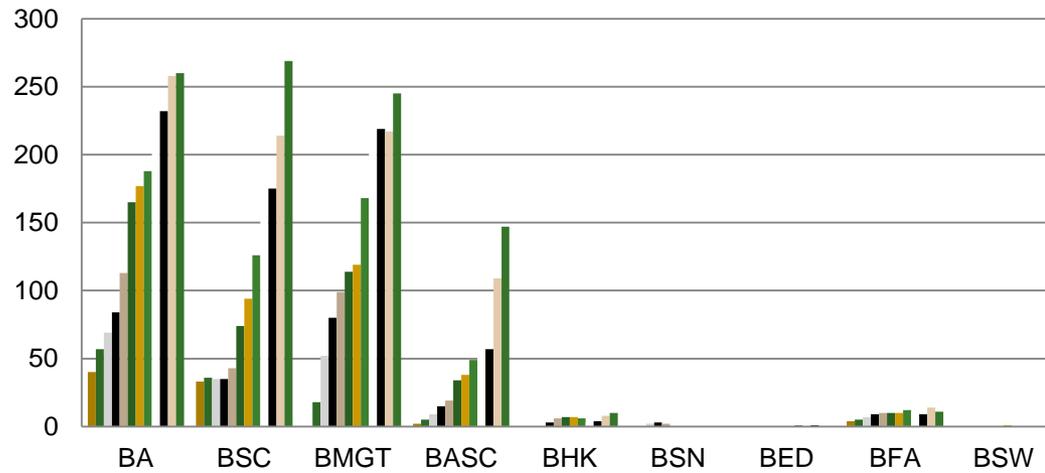
UBC's Okanagan Campus

- UBC Vancouver's Senate policy the University shall meet its Provincial enrolment mandate for domestic students, has either not applied or has not been applied at UBCO, as it has continued to increase international student enrolment despite targets for domestic student enrolment not being met.
 - So seats at UBCO that might have been given to domestic students (via adjusting admissions GPA averages so that domestic student intake equates to supply of seats) have in fact gone to international students.
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UBC's Okanagan Campus

- The enrolment of international students is significant in only four programs: the BA, BSc, BMgmt) and, to a lesser extent, the BAsC (Engineering)
 - As international student numbers have grown substantially in the BA, BSc and BMgmt in the most recent years, the number of domestic students in these programs has declined or been static.
 - UBCO has not in recent years adjusted competitive admissions averages for domestic students so that admission equates to that supply of seats so that “UBC will meet its Provincial enrolment mandate for domestic students”
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**Chart 8: Undergraduate Degree Programs International Students
UBCO 2005-06 to 2016-17**



UBC's Okanagan Campus

- The Principal quoted in November 2012: “Foreign students do not reduce the number of spaces available for Canadians at UBCO ...in fact, the opposite is true, International students help fund positions for Canadians that wouldn't otherwise exist.”
 - This in fact isn't true unfortunately; international students do not increase the number of seats open to domestic students at UBCO.
 - The UBCO Enrolment Report for 2014 more simply states: “International students do not displace domestic students.”
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UBC's Okanagan Campus

- But UBCO violates UBC Vancouver's Senate policy that "UBC will meet its Provincial enrolment mandate for domestic students" i.e. its non-displacement of domestic students policy
 - It also violates the policy that student demand for admission relative to targets shall determine competitive admissions standards for domestic and international students, and the UBC will adjust admissions averages for domestic and international students to meet its targets
 - The UBCO Senate in May 2017 will approve the application of the Vancouver policy at UBCO
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Domestic	Target	Actual	Target								
	2012-13	2012-13	2013-14	2013-14	2014-15	2014-15	2015-16	2015-16	2016-17	2016-17	2017-18
BA	675	561	515	426	430	352	400	343	400	408	410
BSc	505	526	450	523	500	445	500	486	600	516	600
BASc	200	173	175	187	175	167	200	210	250	234	255
BMgmt	180	133	150	127	140	120	140	126	160	163	200
BHK	200	175	175	174	175	138	225	199	225	172	200
Inreernational	Target	Actual	Target								
	2012-13	2012-13	2013-14	2013-14	2014-15	2014-15	2015-16	2015-16	2016-17	2016-17	2017-18
BA	70	53	50	65	65	75	75	94	100	86	100
BSc	40	47	45	66	100	57	65	78	86	116	130
BASc	29	24	23	21	25	19	24	57	50	49	50
BMgmt	54	55	40	84	50	50	67	66	70	78	90
BHK	1	2	5	1	5	2	1	2	3	4	4

UBC's Okanagan Campus

- Again UBCO claims that the high fees that international students pay allow them to hire more faculty and put on a greater selection and number of courses for all students, including domestic students, so that presumably class sizes go down and class diversity goes up, to the benefit of domestic students.
 - So have average undergraduate class sizes at UBCO gone down, and have there been more faculty hired as international students as a percent to total enrolment in direct entry undergraduate programs has gone from an average of 6% in 2010-11 to an forecast average of 15% in 2017-18? Again according to data released by the Research Universities' Council of BC the answer is no.
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UBC's Okanagan Campus

- 2010-2016 the number of faculty have increased to 2013 to accommodate increasing domestic students and little since but average class sizes have increased quite dramatically.
 - In fact, UBCO now has the largest average class sizes at lower level of any BC post-secondary university or college campus, even larger than UBC Vancouver.
 - It has the second largest (after UBC Vancouver) at the upper level.
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- Source BCHeadset.ca

		2010	2013	2016
UBC Okanagan				
International undergraduates		415	659	1,002
Number of faculty		304	353	355
Average class size lower-level		79	83	86
Average class size upper-level		33	38	40

UBC's Okanagan Campus

- However, just as it is obviously true that no matter how many international students the campus takes in, its domestic student targets and domestic student enrolment in the aggregate are neither reduced or increased, it is also obviously true that in the absence of actually putting on more courses or otherwise adding course seats, there is displacement of domestic students from courses and programs that are popular with international students, as international student numbers expand.
 - For example, within the BA and BSc, international students tend to focus on certain majors and programs, and into certain courses within programs.
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UBC's Okanagan Campus

- It is entirely reasonable to recognize that some domestic students have been hence displaced from these courses and programs due to the growing number of international students at UBCO. The problem is especially acute for economics.
 - For example what has been the case in my courses at UBCO for many years now, the majority enrolled are international students, with many domestic students on the waiting lists to get into these courses.
 - So international students definitely do displace domestic students.
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	Total	Intl	% Intl		Total	Intl	% Intl
Bachelor of Arts				Bachelor of Science			
Psychology	648	27	4	Biology	441	18	4
English	109	3	3	Biochemistry	281	14	5
Economics	108	41	38	Earth and Environmental Science	144	4	3
Anthropology	98	4	4	Psychology	139	6	4
History	94	0	0	Chemistry	104	3	3
Geography	72	2	3	Mathematics & Statistics	95	10	11
International Relations	65	10	15	Computer Science	84	9	11
General Arts	48	3	6	Physics	82	7	9
Sociology	44	3	7	Zoology	67	1	2
Political Science	40	2	5	General Science	66	1	2
Philosophy	27	3	11	Economics	48	12	25
Philosophy-Politics-Economics	21	3	14	Environmental Chemistry	19	1	5
French	20	1	5	Freshwater Science	13	0	0
Creative Writing	20	1	5	Total	1583	86	5
Computer Science	18	1	6				
Cultural Studies	16	1	6				
Art History	14	2	14				
Indigenous Studies	13	0	0				
Mathematics	12	5	42				
Spanish	10	0	0				
French and Spanish	10	0	0				
Latin American Studies	4	1	25				
Gender and Women's Studies	3	0	0				
Earth and Environmental Science	2	0	0				
Total	1470	113	8				

UBC's Okanagan Campus

- Given the large number of international students who want to take economics courses, the capacities for domestic students in many of these courses are actually less than they were when the courses were last offered by the previous institution OUC, before 2005.
 - As UBCO increases the number of international undergraduate students from the current 1,000 or so (13% of total students) to around 1,750 (20% of total students), this will displace more domestic students from programs and courses in the arts and sciences popular with international students, such as economics, unless expenditures on additional faculty and courses change at the program and department level.
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UBC's Okanagan Campus

- Either additional seats are opened up and additional courses are put on using the international student tuition revenue of expanding international student enrolment, in which case new seats and courses open up to both international and domestic students, or they are not, hence displacing domestic students from these courses and seats.
 - I was head of economics for a number of years and in none of those years was it suggested to me by anyone in the UBCO senior administration that economics needed additional resources, courses or seats due to all of the international students in its programs and courses.
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UBC's Okanagan Campus

- In late 2012 a letter to the editor of mine appeared in the local newspaper where I stated: “The University needs to do a better job of identifying which classes international students are taking and adjusting the number and/or capacities of these classes accordingly”
 - In response, the then Provost wrote in a rebuttal letter: “Though it is natural for any faculty member to believe resources should go to his or her unit, universities and our students have many other needs..”
 - He listed what these needs were, but none of them were more faculty, more classes or more seats in classes.
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Conclusions

- BC's public colleges and universities have been given a green light to admit as many international students as they can by Canada's and BC's international education strategies, becoming, in effect, important instruments of Canadian and BC immigration policy.
 - That an institution such as UBC has been able to raise tuition fees for international students by over 60% in recent years yet has still been able to admit many more international students, suggests that academic admissions standards for international students have perhaps been reduced to mesh with Government policy, or, alternatively suggesting an upward sloping demand curve (!), or other demand factors changing.
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Conclusions

- With UBC now selling access to the University to the highest bidder, questions of equity and fairness to domestic students arise.
- Another issue we have not considered is the effect of the large increases in international students in BC in recent years, coming as they do predominately from wealthy families, on BC's housing markets, and hence on all BC residents.
- The effect of international students on skilled and unskilled labour demands and supplies, given Canada and BC's "integrated offer" to international students to not only to study in BC, but also to work while studying and after graduation, and to potentially immigrate to BC, might be another useful extension.

Conclusions

- Are there special considerations we need to look at with respect to the economics programs around the province? Are domestic students being squeezed out of the economics major at universities such as UBC and SFU, or UVic?
 - What about the public/private mix of colleges and universities in the province? What have been the implications of the drive for international students in the public post-secondary institutions for the private colleges and universities in BC, who tend to be specialized in this area? Is this unfair competition?
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